

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 XMB-02 FEA-01 ERDA-05 AID-05 CEA-01
CIAE-00 COME-00 EPG-02 DODE-00 EB-07 FPC-01 H-01
INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04
USIA-06 OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07
PA-01 PRS-01 FRB-03 /107 W
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R 260007Z MAY 77
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC 2388

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EO 11652: N/A
TAGS: EFIN, MX
SUBJECT: AMBASSADOR-DESIGNATE LUCEY'S REMARKS ON LOANS TO
MEXICO FOR PETROLEUM DEVELOPMENT

1. SUMMARY. MEXICO CITY NEWSPAPERS OF MAY 23 AND 24
GAVE PROMINENT COVERAGE TO STORY BY R. T. GARRETT OF
DALLAS TIMES HERALD TO EFFECT THAT AMBASSADOR-DESIGNATE
LUCEY SAID THAT USG WILL USE INFLUENCE WITH INTERNATIONAL
BANKS TO HELP MEXICO OBTAIN CREDITS TO DEVELOP PETROLEUM
RESOURCES AND BECOME A NEW SOURCE OF OIL FOR THE U.S.
PAPERS OF MAY 26 CARRY NEGATIVE REPLY OF SECRETARY OF
NATIONAL PATRIMONY AND DEVELOPMENT. END SUMMARY.

2. AMBASSADOR-DESIGNATE IS REPORTED AS HAVING
SAID THAT THE CARTER ADMINISTRATION WILL PROPOSE ECONOMIC
MEASURES TO ASSIST MEXICANS IN OBTAINING EQUIPMENT AND
TECHNOLOGY TO SPEED UP THE RATE OF PETROLEUM EXPORTS AND
THAT SOME INTERNATIONAL BANKS HAVE INDICATED A DESIRE TO
EXTEND CREDITS BEYOND THE NORMAL LIMITS OF INDEBTEDNESS
FOR EXPLOITATION OF MEXICO'S OIL RESERVES. GOV. LUCEY
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REPORTEDLY SAID THESE RESERVES WERE NO LESS THAN 50
MILLION BARRELS. STORY QUOTES LUCEY AS STATING "THERE
ARE SOME IN MEXICO WHO FAVOR CONSERVING THE OIL FOR THE
MEXICANS, BUT THIS POINT OF VIEW IS LOSING GROUND",
ADDING, "IT SEEMS THE TENDENCY OF PRESIDENT LOPEZ-
PORTILLO/S GOVERNMENT WILL BE TO PUSH FOR RAPID OIL
EXPORTS".

3. QUESTIONED BY MEXICAN REPORTERS ABOUT THIS POLITICALLY SENSITIVE ISSUE, THE MEXICAN SECRETARY OF PATRIMONY AND INDUSTRIAL DEVELOPMENT, DE OTEYZA, TOLD REPORTERS THAT MEXICO IS NOT DISPOSED TO COMMIT ITSELF TO PROVIDE PETROLEUM TO THE U.S. IN EXCHANGE FOR INTERNATIONAL FINANCING OBTAINED AS RESULT OF FAVORABLE U.S. INFLUENCE. EXPANDING ON THIS POINT, DE OTEYZA SAID, "WE ARE DISPOSED TO CONTRACT CREDITS UNDER NORMAL CONDITIONS TO STIMULATE DEVELOPMENT OF THE COUNTRY BECAUSE OUR COUNTRY HAS GOOD INTERNATIONAL REPUTATION WITH RESPECT TO LOANS; WE HAVE MAINTAINED THIS STATUS AND WILL CONTINUE TO OBTAIN FINANCING BY VIRTUE OF OUR CONDUCT".

4. COMMENT: REPORTED "50 MILLION BARREL" FIGURE ABOVE PRESUMABLY INTENDED TO BE 50 BILLION. INTERESTING TO NOTE THAT GOV. LUCEY'S COMMENTS POSSIBLY CLOSER TO THE MARK THAN DE OTEYZA'S AS PEMEX DIRECTOR DIAZ SERRANO TOLD U.S. PRIVATE OIL EXECUTIVE MAY 23 THAT PEMEX NOW WILLING TO COMMIT SPECIFIC QUANTITIES OIL AND GAS TO U.S. IN EXCHANGE FOR FINANCING (SEE SEPTTEL). IF POSSIBLE, EMBASSY WOULD APPRECIATE ANY FURTHER INFORMATION AVAILABLE TO THE DEPARTMENT CONCERNING AMBASSADOR-DESIGNATE LUCEY'S ALLEGED REMARKS. CALDERHEAD

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM PRODUCTION, FOREIGN ASSISTANCE
Control Number: n/a
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Sent Date: 26-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MEXICO08332
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770187-1158
Format: TEL
From: MEXICO
Handling Restrictions: n/a
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Litigation History:
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Original Classification: LIMITED OFFICIAL USE
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